



**County of Orange**  
**Retiree Medical Insurance Program**  
**(RMIP)**

Human Resources  
Employee Benefits Office



# Presentation Outline

- ✚ Enrollment Process
- ✚ Eligibility for the Program.
- ✚ Examples of Net Health Plan Premium/Grants for 2005.
- ✚ Retiree Health Plan Provisions/Considerations.
- ✚ Retiree and Medicare.
- ✚ Resources for Additional Information.



# ENROLLMENT PROCESS

- ✚ Your attendance at this presentation is to educate you about the enrollment process and the Retiree Medical Insurance Program.
- ✚ First step is contacting OCERS with your Intent to Retire information and date which most of you have done.
- ✚ OCERS will notify the Benefits Center of your Intent to Retire date at the end of the month in which you contacted OCERS.



# ENROLLMENT PROCESS

- ✦ The Benefits Center will calculate the amount of your Grant (if eligible) and send you a personalized Benefits Enrollment Summary outlining your retiree health plan enrollment options and a Benefits Enrollment Guide. Your Summary will also have your PIN that you will need along with your Social Security number to enroll.
- ✦ You will need to make your elections via the Benefits Center Web Site or by calling the Benefits Resources Line and speaking to a Benefits Specialist who will take your elections.

# ● How to Enroll on the Benefits Center Web Site:



- ✎ You can access the Web Site from any computer with Internet access, at home or at work, 24 hours a day, 7 days a week.
- ✎ Simply type the Web Site address, **[www2.benefitsweb.com/countyoforange.html](http://www2.benefitsweb.com/countyoforange.html)**, into your browser and press “Enter”.

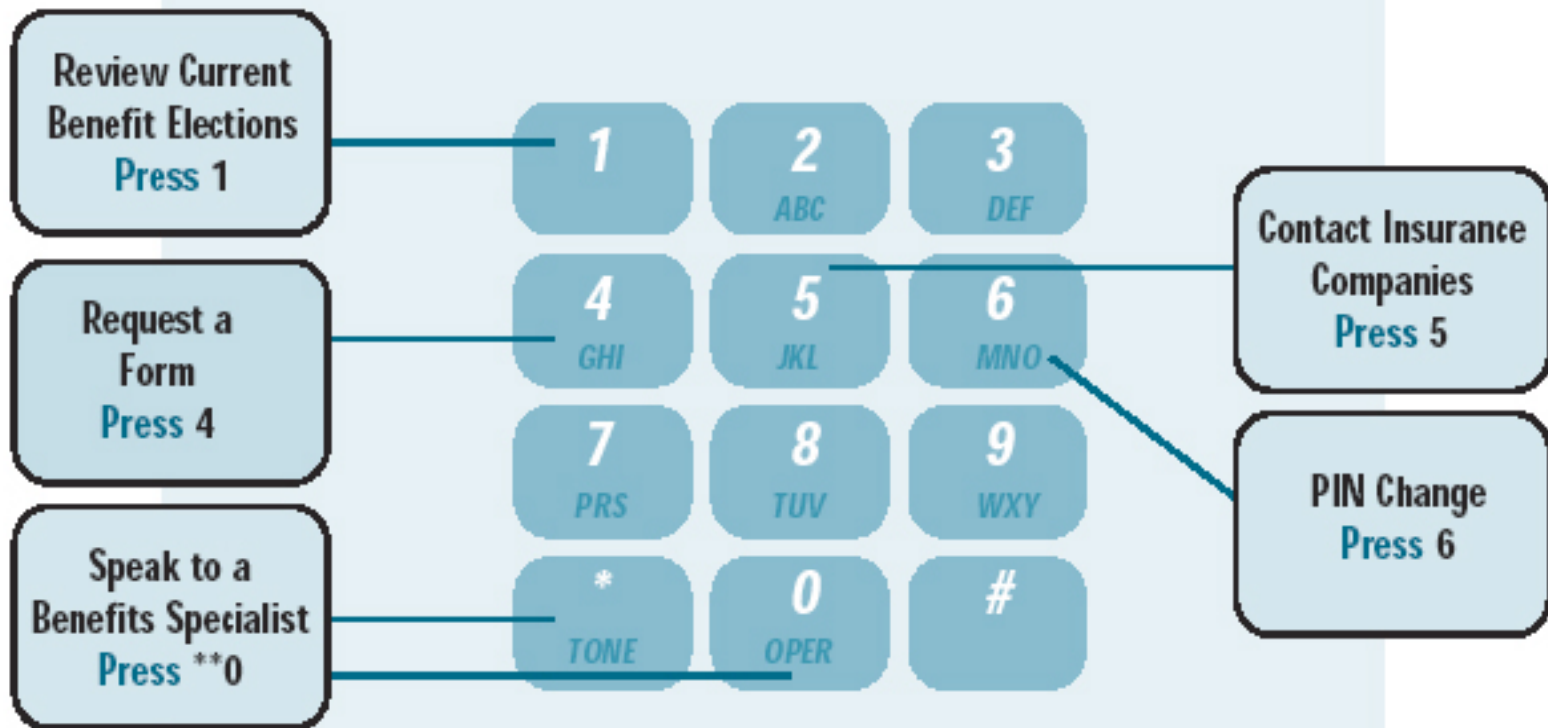
# ● How to Enroll on the Benefits Center Web Site:

- ✚ Once you save your changes, the site will generate your Benefits Confirmation Statement on screen, which lists your benefit elections.
- ✚ You can print a copy of this statement for your records.
- ✚ You will also receive a Benefits Confirmation Statement in the mail shortly after making your elections.

# ● How to Enroll on the Benefits Resource Line:

- ✦ You'll be prompted to enter your Social Security Number and PIN to get to the Benefits Selection Menu.
- ✦ From the Benefits Selection Menu, you'll hear a list of options. Just select the option that you want and press the corresponding number on your phone's touch tone keypad.
- ✦ If you do not have your PIN, press \* \* 0 and you will be automatically connected to a Benefits Specialist who can assist you.

# ● How to Enroll on the Benefits Resource Line:





# ENROLLMENT PROCESS

- ✦ You will have 30 days from the date on your Benefits Enrollment Summary to make changes to your health plan enrollment. If you do not make changes within your 30 day enrollment period you will receive the Automatic Benefits Coverage listed on your Summary.
- ✦ After you have enrolled or at the end of your enrollment period the Benefits Center will send you a Benefits Confirmation Statement that is mailed to your home. You'll have 10 business days from the date of your confirmation statement to report any errors in your elections you made to your benefits coverage.



# ENROLLMENT PROCESS

- ✦ Please note: You will receive two confirmation statements. The first one will be sent to you after you enroll. This statement will reflect your retiree health plan election, the Grant amount based upon the service hours reported at the time your Intent to Retire was received.
- ✦ Your retiree medical elections are not activated until the Benefits Center receives information that you have separated in the County payroll system. Your Agency will input your separation date/retirement date in the County payroll system.



# ENROLLMENT PROCESS

- ✦ Once the Benefits Center receives your separation/retirement date they will send you a second Benefits Confirmation Statement. Again, you will have 10 business days from the date of your confirmation statement to report any errors in your elections you made to your benefits coverage. This statement will reflect your final Grant amount based upon your final service hours.
- ✦ If there was a change in service hours, your Grant amount may be different on your second Benefits Confirmation Statement.



# ENROLLMENT PROCESS

- ✦ If you are switching health plans, new health plan ID cards will be sent within 30 days from the date you received your second confirmation statement.
- ✦ If you have not received your ID cards, please contact the health plan directly.
- ✦ You will be direct billed on a monthly basis for your retiree health plan premium (if applicable) by Benefits Billing Services. If you wish to have your retiree health plan premium deducted monthly from your retirement check you will need to call the Benefits Resource Line and speak to a Benefits Specialist.



# Retiree Medical Insurance Program Eligibility

Eligibility Pertains to Current County of  
Orange Employees Covered Under  
the County Health Plan.

- ✦ Must be age 50, and have 10 years of **eligible**  
County **service hours** at termination date.
- ✦ No break in County service since August 1, 1993.
- ✦ Must receive a monthly retirement check from  
OCERS.



# Eligibility for the Program

- ✦ **Eligibility provisions for the Retiree Medical Insurance Program differs somewhat from that of OCERS.**
- ✦ **Buyback provisions / examples:**
  - Maximum of one year buyback for Extra Help to qualify for the 10 year minimum.
  - Grant will be based on actual eligible service hours (9 yrs).
  - Buyback for service time after August 1, 1993 not applied to Grant eligibility.
- ✦ **Deferred retirement (Pre-existing condition exclusions apply for the PPO's).**



# Eligibility for the Program

## ✂ **Survivor eligibility Benefits.**

- Medical insurance only offered to survivor if they are a dependent on your health plan at the time of your death. Survivor receives 50% of the retiree's Grant.

## ✂ **Retiree Married to Retiree.**

- Same health plan/combined Grant.

## ✂ **Retiree Married to Employee.**

- Grant will be suspended for Retiree if covered as a dependent under the active employee's County health plan.

## ✂ **Call the Benefits Center Resource Line and speak to a Benefits Specialist to enroll.**



# Retiree Medical Insurance Program Enrollment Information

- ✦ **Start the enrollment process early to allow for a smooth transition period.**
- ✦ **30 day enrollment period.**
  - You will have 30 days from the date on your personalized Benefits Enrollment Summary to enroll in a County retiree health plan.
  - This is a one time only opportunity to enroll, based on eligibility.



# Retiree Medical Grant

- ✦ 2005 benefit = \$15.67 per year of County service.
- ✦ Maximum monthly benefit \$391.75. (25 years)
- ✦ Increases by the average increase of all the County health plan premiums to a maximum of 5% each year.



# Retiree Medical Program Grant

- ✖ Use for County health plan premiums.
- ✖ Use for retiree and spouse Medicare premiums.
- ✖ Medicare reimbursement only option.
- ✖ Tax free benefit - Grant cannot exceed County health plan and Medicare premiums (if applicable).
- ✖ The Retiree Medical Insurance Program is not a guaranteed benefit.



# Calculating Your Net Health Plan Premium

- ✚ 2005 Examples of Net Health Plan Premiums/Grants
- ✚ Full premium deduction and Grant credit will determine the net cost to you.
- ✚ Rates/Grants change yearly.



# Example Net Health Plan Premium 2005

- ✚ Retiree with 25 years of County service age 65 or older. Retiree Medical Grant = \$391.75 per month
- ✚ Enrolled in CIGNA Private Practice Plan, retiree with spouse, both enrolled in Medicare A&B.

# Example Net Health Plan Premium 2005

✦ **Retiree Medical Grant = \$391.75**

✦ **\$419.10** Monthly CIGNA Private Practice premium.

✦ **\$156.40** Medicare premium paid by retiree directly to Social Security ( $\$78.20 \times 2$ ).

✦ **\$575.50** Sub total.

✦ **(\$391.75)** Grant (\$391.75 for health premium)

✦ **\$183.75** Total Net retiree cost per month.



# Example Net Health Plan Premium 2005

- ✦ Retiree with 25 years of County service, under age 65. Retiree Medical Grant = \$391.75 per month.
- ✦ Enrolled in CIGNA Private Practice Health Plan, retiree only, no Medicare.

# Example of Net Health Plan Premium 2005

- ✦ **\$316.48** Monthly Premium.
- ✦ **(\$316.48)** Grant reimbursement for health premium
- ✦ **\$0** Total Net Retiree cost per month.
- ✦ **The excess Grant remains in the Retiree Medical Insurance Program.**



# Retiree Medical Insurance Program Enrollment Information

- If you terminate your retiree health plan coverage, you will be permanently dis-enrolling from the Retiree health plan and the Retiree Medical Insurance Program and you will not be able to re-enroll at a later date.

✦ You must enroll through Benefit Center Web Site or Benefits Resource Line.



# Enrollment Information

## Effective Dates:

- Employee health plan coverage will be terminated on the last day of the month in which you separate from the County.
- Retiree coverage will be effective the first day of the month following your County separation date.

# Retiree Health Plan Choice Considerations

- ✦ Retiree Health Plans are identical to Employee Plans in “most cases”.
- ✦ Service area / Residence.
  - HMO: Coverage defined by zip code within the **State of California only**.
  - PPO: No service area limitations.
- ✦ Traveling.
- ✦ Coverage – Levels differ on each plan.
- ✦ HMO vs. PPO: Know the difference between the two.
- ✦ Cost.

# Retirees and Medicare

- ✦ **Medicare enrollment *required* for:**
  - County retirees and covered spouses age 65 and older.
  - Medicare A is required if you are eligible for it at no cost, Medicare B **is** required.
- ✦ If employed after retirement, coverage under another employer health plan exempts Medicare requirements(except the Kaiser health plan).



# Retirees and Medicare

- ✦ Enrollment in Medicare should begin:
  - 90 days prior to retirement (if already age 65) or;
  - 90 days prior to 65th birthday.
- ✦ Failure to enroll in Medicare:
  - Will result in a suspended Medical Grant and higher premiums until proof of Medicare enrollment is received.



# Medicare Requirements - PPO Plans

- ✦ Medicare is Primary - Claims must be submitted to Medicare first .
- ✦ Medicare “Explanation of Benefits” to be sent to PPO Claims Administrator with itemized bill for secondary payment.



# Medicare Requirements - HMO Plans

## **CIGNA:**

- Medicare is primary.
- Provide both CIGNA and Medicare cards to all providers.

## **Kaiser:**

- Medicare enrollment required to be enrolled.
- Those with Medicare must assign benefits to Kaiser.

# ● Medicare Requirements - HMO Plans

- ✦ Kaiser: If you are enrolling for the first time into Kaiser Senior Advantage, and you are 65 years or older, you will be sent a Kaiser Permanente Senior Advantage Enrollment form with your first Benefits Confirmation Statement that you receive.
- ✦ Please complete the form and return it to Kaiser as stated on the form.
- ✦ Kaiser and the Benefits Center will inform you of your approval or denial.



# Next Steps

- ✂ Review all your materials and considerations you will need in order to make an election.
  - HMO vs. PPO
  - Cost
- ✂ Use the Benefit Center Web Site or Benefits Resource Line to enroll in a County Retiree health plan.
- ✂ Provide Medicare documentation (if applicable)
- ✂ RMR's – If you identify as an RMR, an RMR enrollment form will be sent to you with the mailing of your first Benefit Confirmation Statement.

# Resources To Help In Your Health Plan Decisions:

## ✦ Benefits Center

- Web Site:

- [www.2.benefitsweb.com/countyoforange.html](http://www.2.benefitsweb.com/countyoforange.html)

- Benefits Resource Line: 1-866-325-2345

- **FAX: 1-973-837-3330**

## ✦ Mailing address:

**PO BOX 436**

**Little Falls, NJ 07424**



# **Additional Resources:**

## **Benefits Billing Services**

- **1-877-588-0946**

- **Web Site:**

[www.ceridian-benefits.com](http://www.ceridian-benefits.com)

- **Mailing Address:**

**3201 34<sup>th</sup> Street South**

**Petersburg, FL 33711**



# **Additional Resources:**



## **For the PPO Plans**

### **Benefit, Preferred Providers/Hospital Information:**

PacifiCare Health Plan Administrators 1-800-908-9185

Web Site: [www.pacificare.com/ocppo](http://www.pacificare.com/ocppo)

### **For Prescription Drug Information :**

Caremark 1-866-212-4758

Web Site: [www.caremark.com](http://www.caremark.com)



# Additional Resources:

## For HMO Benefit Information contact:

CIGNA Customer Service 1-800-244-6224

Web Site: [www.cigna.com](http://www.cigna.com)

Kaiser Customer Service 1-800-464-4000

Web Site: [www.kaiserpermanente.org](http://www.kaiserpermanente.org)

Vision Service Plan 1-800-877-7195

Web Site: [www.vsp.com](http://www.vsp.com)

ASHP (Chiropractic) 1-800-678-9133

Web Site: [www.americanspecialtyhp.com](http://www.americanspecialtyhp.com)



# **Additional Resources:**

## **County of Orange Employee Benefits Web Site**

- [www.oc.ca.gov/hr/employeebenefits](http://www.oc.ca.gov/hr/employeebenefits)



Thank You for Coming

**QUESTIONS**

